(b) whether it is also a fact that the food processing sector constitutes 14 per cent of the manufacturing GDP and employs 13 million people directly and more than that number, indirectly;

(c) whether the high cost structure needs urgent tackling for the food processing to take off; and

(d) if so, the steps taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) Yes, Sir.

(b) According to an estimate, share of FPI sector in manufacturing GDP was about 15.5% in 2001-02. Food processing industry is growing at a rate which generates 2.5 lakh jobs every year. As most of food processing industries are in the unorganized sector, the information about actual number of persons provided employment in the FPI sector is not Centrally maintained.

(c) Yes, Sir.

(d) In order to reduce high cost of processed food, during the recent years. Government has allowed under Income Tax Act, a deduction of 100% of profit for five years and 25% of profits for the next five years in case of new agro processing industries set up to process, preserve and package fruits and vegetables. Excise duty on fruit and vegetable products and cold chain has been abolished. Excise duty of 16% on dairy machinery has been fully waived for promotin of dairy processing industries. Excise duty on meat, poultry and fish has been reduced from 16% to 8%. Excise duty on food grade hexance used in edible oil has been reduced from 32% to 16%. Customs duty on refrigerated vans has been reduced from 20% to 10%.

New FPIs set up *vis-a-vis* employment generation

†1918. SHRI DWIJENDRA NATH SHARMAH: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the amount provided to be spent on the food processing industries set up and functioning in various States of the country under the Tenth Five Year Plan, together with the State-wise, year-wise amount spent thereon, so far during the last three years; and

†Original notice of the question was received in Hindi.

(b) the number of persons who have been provided employment through the new food processing industries set up in the country during this period, togetherwith the number of persons who are likely to be provided with employment during the current financial year?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) Details of financial assistance sanctioned by the Ministry of Food Processing Industries on establishment/expansion/modernization of FPI units during first three years of Tenth Plan are as given in the Statement. (*See* below)

(b) According to an estimate, the food processing industry is growing at a rate which generates 2.5 lakh jobs every year. As most of food processing industries are in the unorganized sector, the information about actual number of persons provided employment in the FPI sector is not Centrally maintained.

Statement

Amount Sanctioned by MFPI on Setting up/Modernization/Expansion of units

(Rs. in lakhs)

Plan Schemes State/UT	2002-2003	2003-2004	2004-2005 (upto Dec.-04)
1	2	3	4
Andhra Pradesh	124.74	465.57	594.97
Chhattisgarh	-	-	16.75
Delhi		17.00	2.50
Gujarat	27.41	165.85	219.40
Haryana	75.00	185.94	141.44
Himachal Pradesh	111.36	99.18	75.52
Jammu & Kashmir	111.22	108.78	74.79
Karnataka	41.85	151.49	293.61

1	2	3	4
Kerala	104.90	192.53	161.98
Madhya Pradesh	8.20	88.93	31.37
Maharashtra	239.95	529.03	550.63
Orissa	15.58	—	63.31
Pondicherry	—	—	12.27
Punjab	176.98	163.00	362.85
Rajasthan		86.00	6.09
Tamil Nadu	236.54	274.03	200.11
Uttar Pradesh	119.14	263.19	384.59
Uttaranchal		—5.37	80.00
West Bengal	163.54	132.96	224.27
N.E. States, Lump-sum Provision (all schemes)			
Arunachal Pradesh	44.16	—	24.30
Assam	232.31	307.32	88.75
Manipur	343.44	110.29	—
Meghalaya	58.10	—	—
Mizoram	12.24	111.50	194.30
Nagaland		40.75	—
Sikkim	1.20	0.50	—
Tripura	82.75	34.07	—
Common to N.E. States	—	40.33	—